

REVIEW OF PAYMENT RATES FOR
DAY HEALTH SERVICES
COVERED BY SECTION 26

PUBLIC COMMENTS AND RESPONSES

— PREPARED FOR —

MAINE DEPARTMENT OF HEALTH AND HUMAN SERVICES

— PREPARED BY —

BURNS & ASSOCIATES

A DIVISION OF HEALTH MANAGEMENT ASSOCIATES

3030 NORTH THIRD STREET, SUITE 200
PHOENIX, AZ 85012
(602) 241-8520
WWW.BURNSHEALTHPOLICY.COM

MARCH 16, 2023

PROJECT BACKGROUND

As part of its ongoing effort to review the adequacy of payment rates for MaineCare providers, the Maine Department of Health and Human Services (DHHS) contracted the national consulting firm Burns & Associates, a division of Health Management and Associates, to conduct a rate study for Day Health services covered by Section 26 of the MaineCare Benefits Manual.

The rate review encompassed several tasks, including:

- A detailed review of the service requirements, MaineCare regulations, billing and licensing rules, and DHHS' policy objectives
- Meetings with service providers
- Development and administration of a provider survey to collect information regarding service designs and costs
- Identification of other data sources to inform the development of the rate models, including cross-industry wage and benefit standards
- Analyses of claims data

Based on this work, detailed rate models were developed. The model included the specific assumptions regarding the costs of delivering the Day Health services, such as the wages, and benefits for direct support staff and nursing staff, program attendance, and agency overhead.

The proposed rate models were presented to providers on November 17, 2022. Providers were given until December 6 to provide written comments on the draft rate models. Following are public comments received and the Department's responses.

1. One commenter expressed support for the recommended rates.

DHHS appreciates the support. The final rate models represent an almost 30 percent increase for Day Health service providers. The Department believes this investment in provider reimbursement will ensure both the viability of the service for Mainers across the state and that providers have the resources needed to pay competitive wages and benefits for direct care staff.

2. One commenter expressed concern that there is only a single rate for both medical and non-medical Day Health programs, noting that medical programs have higher expenses.

The commenter correctly states that, consistent with current practice, the rate developed a single rate for both medical and nonmedical programs (labeled as 'social' adult day services and adult day 'health' services in licensing rules). In general, licensing rules include greater requirements for the health programs, including higher-level staff and registered nursing support. The rate model reflects the requirements for health programs. That is, if differentiated rates were established, this rate model would apply to health programs and there would be a lower rate for social programs. DHHS opted not to establish a lower rate for social programs to maintain current providers. Further, several providers of nonmedical programs stated that they would like to enhance their programs to provide more medical supports, but could not do so with the current rates.